



Broken Hill Prospecting Limited
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ASX ANNOUNCEMENT
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SHARE PURCHASE PLAN

Broken Hill Prospecting Limited (BPL) is pleased to announce that it is giving shareholders the opportunity to participate in the Company's capital raising program in the form of a Share Purchase Plan (SPP).

Since listing on the ASX in early 2011 BPL has added considerably to the size and value of the Company's 100% owned cobalt-pyrite deposits near Broken Hill and this world class asset is being heavily discounted in the current market. The SPP allows eligible shareholders the opportunity to invest in the company at an attractive price and without undue dilution. Directors of BPL and many major shareholders have indicated that they plan to participate.

The SPP will provide shareholders resident in Australia the opportunity to subscribe for shares in one of the amounts of A\$2,000, A\$5,000, A\$10,000 or A\$15,000.

Under recently introduced New Zealand regulations the SPP can also be offered to up to 20 New Zealand shareholders. The Company can accept 20 applications from eligible resident New Zealand shareholders on a first received basis.

The record date to establish entitlement to the SPP for eligible shareholders is 1 April 2014.

BPL has decided that the SPP is not able to be offered to shareholders who are resident in other countries so as to avoid breaching laws in the relevant jurisdictions. BPL, in making this decision, has taken into account the small number of overseas shareholdings with holders not resident in Australia.

The issue price will be 4.5 Australian cents (A\$0.045). The issue price represents a 8.2% discount from the last closing price and a 3.9% discount from the three days volume weighted average price, prior to the record date.

Funds raised under the SPP will provide working capital to assist BPL to advance metallurgical and scoping studies in order to help attract an established chemical company to participate in the proposed sulphuric acid and cobalt extraction business.

A SPP offer documents containing further details and a personalised application form will be posted to eligible shareholders on 8 April 2014.

The offer closes at 5pm Sydney time on Wednesday 6 May 2014 and allotment is expected to occur on 13 May 2014.

Application will be made for shares to be quoted on the ASX. The new shares are expected to commence trading on the trading day after the allotment date.

On behalf of the Broken Hill Prospecting Limited, I invite you to consider participating in the SPP and thank you for your continued support.

A handwritten signature in blue ink, appearing to read 'Creagh O'Connor', is positioned above the typed name.

Creagh O'Connor AM
Chairman